Biesterfeld Group

Code of Business Conduct

Biesterfeld AG is an internationally operating, fast-growing distributor and service provider in the field of plastics and chemical products.

As the partners of world-leading suppliers, the companies of the Biesterfeld Group (called “Biesterfeld“ or “Biesterfeld Group“ in the following) market a wide range of plastics, industrial chemicals, agricultural chemicals, pharmaceutical products, chemical specialty products, food additives and salt.

In addition to the classic services of a distributor, we offer our partners a high degree of technical application know-how as well as market-oriented expertise. We regard ourselves as acting as an information and development catalyst in both directions: we think in solutions for our customers and act as the marketing partner of our principals.

The Biesterfeld Group stands for a corporate culture that is characterised by the principles of constructive, amicable and transparent cooperation, from which all those involved benefit over the long term.

Our employees determine our success. It is through their thoughts and actions that the corporate culture of the Biesterfeld Group is lived and is experienced by our partners. In their areas of activity, all employees are responsible for ensuring that we as a company fulfill our social responsibility.

The basic values of our Group, such as competence, trustworthiness and responsible action, are reflected in the cooperation with our employees, as is continuity, noticeable in the many years that many employees have been with the company.

Derived from the company values, this code of conduct sets out fundamental principles of behaviour, which are intended to determine the actions of employees in their daily work. These principles for business conduct are group-wide standards and guidelines that apply to all employees. They are intended to help us cope with the many different legal and cultural challenges in our everyday work and to fulfill our own standards, which we set for ourselves. In strategic considerations and in decision-making processes they help us to provide the correct and appropriate answers to the ethical and legal questions. These principles are not static, but are instead developed further on an ongoing basis and within changing social conditions.

The Board of Directors

Leading by example

All employees including the company management must behave in such a way that no personal dependencies or obligations arise.

The company management has a special function as examples. The board and business management must behave in a way that is ethically flawless. They must live up to their function as examples by being honest and fair in their daily work. They should also state openly that they and their company will not tolerate corrupt behaviour under any circumstances. The rules of conduct apply to them to an especially high degree.

The company management ensures that the employees know and adhere to the relevant laws and regulations. It is responsible for creating conditions that prevent corruption. For this purpose, the principles contained in these guidelines are made known to all employees in the company. The employees are obliged to follow the ethical principles contained in it. They apply in Germany and in all subsidiaries of the company abroad. Adherence to the principles is checked.

Area of Application

These principles for business conduct are applicable to all employees of Biesterfeld AG, its divisions and affiliated companies, regardless of whether they are active inside or outside Germany. Foreign subsidiary companies may take national peculiarities into account in the implementation of this Code of Business Conduct, if and insofar as this does not impair its basic principles.

Observing Laws and Standards

The companies of the Biesterfeld Group are represented in many product markets and in many regions, and are therefore subject to differing laws, ordinances and regulations as regards international and national regulations as well as trans-regional and local stipulations.

It is expected of all employees, without exception, that they adhere to the applicable laws and regulations. In addition to this, the morals, standards and social values of the respective countries in which business is carried out are to be taken into account in processes of decision-making and consideration.

It is necessary for the employees to make themselves familiar with all the laws and regulations that apply in their areas of responsibility. In particular, this can include:

1. laws on cartels and competition
2. laws for the protection of privacy
3. laws relating to equality in the workplace and against harassment at the workplace
4. customs and trade control laws
5. laws relating to payments to public offices
6. laws against money-laundering
7. rules of the EU

If a lack of clarity arises in one of the areas, the Group Legal Department is available to answer questions.

Image of the Company

The image of the Biesterfeld Group is substantially characterised by appearance, actions and conduct of all employees, regardless of the respective position in the organisation. Inappropriate behaviour on the part of an individual can cause considerable damage to the Biesterfeld Group. Personal integrity and a pronouncedly responsible attitude on the part of our employees is in the end the foundation of the company's image.

Respect and Integrity

The employees determine the success of the Biesterfeld Group. It is through their thoughts and actions that the Biesterfeld company culture is lived and is experienced by our partners.

The Biesterfeld Group respects the personal dignity, privacy and personal rights of all employees and of the customers, service providers and suppliers. Dealings with one another are characterized by mutual respect, professionalism, trust and open communication. The solidarity and team spirit of the employees make a decisive contribution to the success of the company.

Biesterfeld tolerates no discrimination whatsoever, whether it be due to age, origin, sex or other characteristics. The important criteria for the development of employees are performance and potential.

Training and Professional Development

In addition to their personal competence, all employees of the Group have a solid technical background. All age groups and levels of education are represented in our team. Each manager must promote the professional development of his employees and carefully check applications for further training. All employees should inform their superiors of additional training necessary for the performance of their tasks.

Safety, Health, Environment

The Biesterfeld Group acts responsibly in accordance with Responsible Care®. As a distributor, Biesterfeld takes on joint responsibility for its products as regards upstream manufacturing, ensuring e.g. that the products are manufactured in accordance with globally recognised safety and/or environmental protection standards, insofar as it is able to do so.

It is expected of all employees that they adhere to the safety regulations, are aware of dangers and also contribute their own thoughts in all safety-relevant activities. This applies to all hazards that may arise at the workplace of our employees or in the use of our products. The products are managed in a safe and environmentally-friendly way. The applicable laws are adhered to in the transportation, importing, exporting and sale and distribution of chemicals. Accidents that are noticed, things considered as possible sources of danger or contamination, and also near-accidents are to be reported to the line manager in charge.

The companies of the Biesterfeld Group carry out audits at their external stockists, freight carriers and other service providers, insofar as this is possible and reasonable to expect. Biesterfeld acts as an advising partner for its customers, works with them on the solution of problems of disposal or re-use and passes these specific findings on to the manufacturers.

Biesterfeld is committed to sustainable and socially responsible trading and to the creation of safe and healthy working conditions. The applicable rules and regulations that forwarders, third parties active within the company and warehousing companies have to follow during their work for or on behalf of Biesterfeld are to be made available to these companies.

Financial Checks

Company-internal financial checks are decisive for making the right decisions, implementing business plans successfully and producing accurate reports for the supervisory board, board of directors, shareholders, (co-)partners, investors and creditors.

In particular, financial control is ensured by the following departments / institutions:

1. Accounting department (group function)
2. Group controlling
3. Finance department / treasury (group function)
4. Divisional controlling
5. External auditors

All accounting documents, accounts and reports produced based upon them are kept and presented in accordance with the laws of the respective country.

All transactions must be documented and recorded in detail and entered under the correct cost centre and in the right entry period.

Financial integrity is expected from all employees when they make their claims for travel expenses.

It is to be ensured that no illegal, incorrect or questionable payments are made to third parties. If it is not clear whether a payment could be harmful for the company or the employees, the matter should be clarified in advance with the Group Legal department.

Dealing with Business Partners and Third Parties

Customers

Biesterfeld reaches more than 10,000 customers worldwide. Small to medium-sized companies form the main focus of the clientele.

In addition to this, Biesterfeld looks after "Global Players" which – like most customers – are not only supplied with various products from the big shopping basket, but are also given very individual support with know-how: from application consulting to the development of formulae, parts design to the carrying-out of internal workshops.

The companies of the Biesterfeld Group strive for a long-term partnership with their customers and make every effort to offer their customers tailor-made products and services including the necessary information and support.

Respecting the Law on Competition

Biesterfeld avows itself without restriction to fair competition and adheres to the laws against restraints on competition of all countries in which the company is commercially active.

The following guidelines apply in dealings with competitors:

1. It is not permitted to make agreements or arrangements that have the purpose or effect of restricting competition. This means that employees must not conduct any conversations with competitors in which prices or capacities are fixed. Arrangements with competitors about a ceasing of competition or the segmentation of customers, areas or production programmes are also forbidden.

2. It is not permitted to exchange information with competitors on the following subjects: prices or price policy, distribution policy, margins, costs, market shares, internal key statistics, sales conditions and special customer/buyer information, supplier prices or selection, choice or classification of customers, credit policy, advertising policy or similar competition information. Exceptions exist if, within the framework of a project, e.g. of a planned acquisition or founding of a joint venture, information is revealed after the conclusion of a secrecy agreement.

3. It is not permitted to attend formal or informal business association or other gatherings with competitors, where it is already known in advance that the agreements or arrangements described under 1. or the competition information mentioned under 2. are to be discussed or exchanged. Not only are formal agreements forbidden but also coordinated behaviour, such as through informal conversations or formless “gentlemen’s agreements” that are intended to produce or could result in such a restriction of competition. Even the appearance of such conspiratorial behaviour is to be avoided.

Because the legal judgment depends on the respective laws and individual circumstances, the Group Legal department is to be consulted in cases of doubt, especially before activities are initiated with competitors that include an exchange of information.[1]

Avoidance of Conflicts of Interest

The Biesterfeld Group attaches importance to the avoidance of situations in which its employees get into conflicts of interests or loyalties in their occupational activities. A conflict of interest arises if the private interests of the employee come into conflict with the company's interests or if even the impression of such a conflict is conveyed. This is the case e.g. if the employee takes measures or pursues interests that hinder him in the objective and efficient performance of his activities. The following rules therefore apply:

Accepting and Granting Advantages

An employee may neither ask for nor accept advantages from a third party for himself personally, and he may neither offer nor grant them. Here, advantages include e.g. payments, fees, loans, services, invitations, favours or gifts.

Only in the context of generally normal business conventions in keeping with normal practice and politeness in a country may advantages be accepted from suppliers, customers or other business partners, and only if this is also compatible with the respective legal regulations. The granting of advantages that exceed the rough value of 75 Euro and/or – in the case of invitations to meals – exceed the usual scope, and invitations of or by business partners that are not in the context of business visits, or which are unusual or disproportionate must be brought to the attention of the superior. In cases of doubt employees must obtain permission from their line managers.

Advantages may only be offered in the framework of the customer binding that is typical for business, insofar as they are consistent with common business practice and cannot be seen as exerting inappropriate influence. Advantages or invitations to entertainment events must therefore not be granted or offered in the intention of achieving dishonest commercial advantages.

[1] Note: Meetings with market partners, e.g. at fairs or conventions, do not a priori infringe the law on competition. Only through the active behaviour of the individual person can this become the case.

Employees must never make use of business partners that are closely connected to the respective area of activity, for private purposes. Exceptions are to be agreed with their line manager.

No employees may commit any acts that violate the domestic or foreign regulations concerning money-laundering. In cases where there is doubt over the permissibility of transactions that include a transfer of cash, the Group Finance department is to be consulted well in advance.

Shareholdings and Private Business Interests

Employees of the Biesterfeld Group are forbidden to carry out transactions in the name of the company with companies in which they themselves, immediate relatives or life partners have holdings. In addition, the direct or indirect holding of an interest in a company that is wholly or partially in competition with Biesterfeld or its group companies is not permitted. The manager or the personnel department are to be informed of an interest held by close relatives in a competing company and/or of any family or personal relationships that could appear to influence decisions.[2]

Employing Relatives

In order to avoid conflicts of interest, it is not permitted to employ relatives of the 1st or 2nd degree in the direct area of responsibility of a manager.

Sideline Work

It is to be ensured that the spare-time activities of employees are not used to the detriment of the company. The taking-on of paid secondary employment requires approval and must be reported in advance in writing to the line manager and/or personnel department if

1. the secondary employment impairs the company and occupational performance of the employees;
2. the secondary employment might lead to a conflict with Biesterfeld's business activities, i.e. the risk exists of a conflict of interests;
3. equipment or facilities of Biesterfeld are to be used or occupational experience exploited.

[2] Note: Pure financial investment in a stock-exchange-listed company does not count as holdings/an interest.

Exceptions are occasional authorial activities, lectures and comparable occasional activities. Insofar as employment contract agreements exist on the subject of secondary activities these have priority.

Social Commitment

Biesterfeld welcomes the social commitment of its employees in associations and other political, cultural or social organisations, insofar as this appears appropriate under the respective national, regional or local circumstances, recognised and legally permitted aims are pursued and a conflict with the commercial interests of the company is ruled out.

Work in associations and federations of enterprises carries with it the risk of possibly infringing the regulations of laws on competition, as competitors also work in such institutions. In case of doubt the Group Legal department is to be asked for advice.

Private Use of Company Property

The Group's own facilities in offices, equipment, other company property and the working time of the employees may only be used for group-external purposes if there is express permission from the line manager. It is not permitted to produce drawings, files, visual or sound recordings or reproductions, if this is not directly necessitated by the occupational activity, without the approval of the line manager.

Handling Information, Data Protection and Documentation

In order to work efficiently and successfully it is necessary for all the relevant information to reach the required group of addressees. All employees are therefore to decide carefully who must be provided with what information in order for decisions to be made swiftly and upon a sound informational basis.

When passing on information all employees must adhere to sufficient security standards and be clear about the required degree of confidentiality. In particular, when using IT systems the available safety measures (such as encryption, passwords) are to be used for data protection. The details on IT security are set out for the entire Group in the "IT Security Policy".

By using Internet technology, it should be possible for employees to

1. Use information provided externally via the World Wide Web within their work;
2. Exchange messages and documents electronically within the company as well as outwardly using the e-mail system, which is opened externally using the Internet.

The Internet (WWW and E-mail) is only for company purposes. Use for private reasons is forbidden. It is always possible to carry out checks regarding this. It is to be borne in mind that information can be spied out on the Internet and altered in their meaning. For this reason, before sending information via electronic media it should be checked whether sending entails unacceptable risks for the Group. In cases of doubt, every manager and if necessary BIT-SERV are available to evaluate the risks, and check alternative ways of transmission and/or the use of encryption systems.

Personal data may only be acquired, processed or used insofar as this is necessary for setout, clear and legal purposes. The use of data must be transparent for the people concerned, and their rights to information and correction and if necessary to objection, locking and deletion are to be respected.

All relevant facts affecting the commercial activities are to be systematically and reproducibly documented. The legal safekeeping periods for documentation are to be observed.

One of the most important assets of Biesterfeld is confidential business information, which ultimately distinguishes us from the competition. The intentional or accidental revealing or destruction of confidential information with commercial, financial or regulatory content can jeopardise the profitability and competitive position of the Biesterfeld Group. Secrecy is therefore to be maintained regarding internal matters of the company that have not been expressly released for public access by the offices responsible for them. Among others, this applies particularly to:

1. Details on the organisation of the company
2. Marketing and distribution information (e.g. price formation)
3. Personnel data
4. Customer lists
5. Financial and accountancy data (e.g. also content of the internal reporting system)
6. Supplier data (name of suppliers, prices, supply sources, expected demand)
7. Business plans and strategy
8. Possible takeovers
9. Possible divestments
10. Possible capital investments

An exception exists in cases where confidential information should be passed on to third parties for business reasons. In these cases, the approval of the line manager is required and/or a secrecy contract or an appropriate secrecy stipulation drawn up or approved by the

legal department. Especially when dealing with this information in an electronic form, one is to decide before making a copy whether or not this is really necessary. In general, secrecy is to be maintained regarding information that has been entrusted to an employee by a customer or another third party, unless the legal department ascertains that its disclosure is legally compulsory.

Employees who learn confidential information due to their employment in the company must not use this information for their own personal advantage or for the advantage of other people. The obligation to maintain secrecy continues to apply after the ending of the employment relationship.

Adherence to Customs Regulations

Every company in the Biesterfeld Group and the acting employees are to adhere to the respective customs regulations in import and export business.

Violations of the regulations can damage the reputation of the entire Group, beyond the adverse consequences for the respective business unit. All companies must take the necessary organisational measures and appoint responsible people who ensure adherence to the regulations.

Adherence to the Code of Business Conduct

This code of conduct is available to all employees. It is published on the Intranet and the Internet. The aims connected with this code of conduct can only be achieved if everyone involved cooperates towards this purpose. All employees are therefore called upon to check their own behaviour on the basis of the above standards and to ascertain the areas of activity in which it is possible to make improvements.

Biesterfeld endeavours to make available to its employees the information that they require in order to be able to avoid any infringements of the laws and/or of the code of conduct. The management is obliged to act as example and to make sure that the employees adhere to this code of conduct. All employees are expected to seek advice from their line managers or the legal and/or personnel and service departments in the case of legal doubts regarding their own behaviour or in the event of indications of legally dubious behaviour in their work environment.

Agreements and Recommendations of International Organisations

In addition to the laws and regulations of the individual countries there is a range of agreements and recommendations of international organisations that are primarily addressed to the member states and not directly to the individual companies. As an internationally active company, the Biesterfeld Group regards it as very important that its organs and employees attach importance to compliance with these guidelines.

Specifically, these are:

- Universal Declaration of Human Rights (UNO) of 1948, and European Convention for the Protection of Human Rights and Fundamental Freedoms, 1950
- Tripartite Declaration of Principles of the ILO (International Labour Organisation) Concerning Multinational Enterprises and Social Policy, 1977 and ILO Declaration on Fundamental Principles and Rights at Work, 1998 (especially the following subjects: elimination of discrimination, freedom of association and right to collective negotiations)
- OECD (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises, 2000
- “Agenda 21“ for Sustainable Development (final document of the UN Conference on Environment and Development, Rio de Janeiro 1992)
- Guidelines on competition law and global competition
- Global Compact – UN initiative for responsible business management, 2000

Hamburg, 9th September 2013

Biesterfeld AG

The Board of Directors